TREASURY DEPARTMENT

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TREASURY TO DOUBLE COIN PRODUCTION

The Treasury today announced an intensified program to double the nation's rate of coin production within a year and raise it by 75 percent during the next six months.

By next June, the program will boost our coin production to an annual rate of over 9 billion new coins -- more than double the 4.3 billion level for fiscal 1964 and triple the 3 billion level for fiscal 1961. For the last six months of this year -- normally a time of peak demand for coins -- the program will mean a 75 percent increase in coin production over the same period last year, a rise to 3.5 billion new coins from the 2 billion produced in the last half of 1963.

This increased production will be distributed among the present 5 denominations of coins in about the present ratios -- roughly two-thirds pennies, one-fourth nickels and dimes, and the rest quarters and half-dollars.

The new program will augment the Treasury's already heightened efforts to expand the nation's coin production in the face of a growing need for coins.

Steps already taken to expand current production of coins include the purchase of rolled nickel strip for the making of all five-cent coins -- thus freeing equipment for other production -- and the inauguration of a continuous 7-day, 24-hour production schedule at the nation's two Mints, in Denver and Philadelphia.

These actions will increase production for the coming fiscal year by 600 million coins, bringing total budgeted production up to some 5 billion coins.

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To augment these measures, the following new steps will be taken:

1. Beginning early in July, bronze strip for pennies will be purchased (in addition to the nickel strip already being acquired for five-cent coins), thus freeing all melting, casting and rolling operations for the production of more silver coins.

2. New coin presses (used to imprint the design of the coin) are being ordered for delivery early this Fall and additional stamping machines, which can be converted for Mint use, are being acquired from the surplus stocks of the Department of Defense, the General Services Administration, and private industry.

3. In December, when current orders have been filled, the proof coin operation (the production of special sets of coins for collectors) will be suspended. Those of its presses that are suitable will be converted to allow higher speeds and will be devoted to the production of coins for circulation.

4. As additional presses become available, production of annealed blanks (round pieces of metal the actual size of the coin softened to take the die) for nickels and pennies will be temporarily shifted to the U.S. Assay Office in San Francisco, thus permitting the Mints to concentrate on the final stages of the production of all coins.

5. The Congress will be asked to continue the 1964 date on all coins indefinitely, thus eliminating any possible incentives for keeping 1964 coins out of circulation for speculative purposes.

Through these and other measures, the Treasury Department will continue to seek out ways of assuring an adequate supply of coinage with existing facilities -- pending the construction of the new Philadelphia Mint authorized last August. This Mint will replace the current Philadelphia Mint, and will be capable of producing coins at a higher rate than both existing Mints together. However, since funds are only now becoming available to proceed with construction of the new Mint, its construction is nine months behind the Treasury's original schedule -- and it will probably begin coin production in 1967, instead of in 1966 as originally expected by the Treasury.

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